

## Electrical aggregation has saved \$1.5 million

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Feb 20 - McClatchy-Tribune Regional News - Christina Chapman-Van Yperen Morris Daily Herald, Ill.

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The city of Morris has saved its residents and small businesses about \$1.5 million in electric power costs since switching its power supplier about 13 months ago.

In April 2011, a referendum passed to allow the city to take bids on electricity supply for the city's residential and small commercial use through an opt-out program. People receive their electricity bills from ComEd because ComEd is still the distributor, but the city now tells ComEd from where to get the electricity.

"The average home is saving \$287 per year," said David Hoover, executive director of Northern Illinois Municipal Electric Collaborative (NIMEC), the electric purchasing co-operative the city utilized to find the lowest power supply rate.

Hoover updated the Morris City Council on the savings during its regular meeting Monday.

The city of Morris was in the first group of 20 municipalities in the state that took advantage of the electrical aggregation program, said Hoover.

"Since then, 456 other communities have followed suit. You all were up front of this initiative," he said.

Chicago is just beginning the process now, said Hoover.

By grouping the city's residents and small businesses, NIMEC took bids from about 40 suppliers and went with one that was about 35 percent lower than ComEd's rate. ComEd's current rate is 8.3 cents. Morris customers are paying 5.43 cents.

ComEd does not lose money through this process because it is still paid by the other suppliers as a distributor. If a resident or business wanted to stay with ComEd as their supplier, they had the option to opt out of the program.

Morris has 3,141 residents signed up for the program and 238 small businesses.

"I'm pleased to say it has gone exceptionally well," said Hoover.

Audience member Bronco Bojovic asked if the bids for the power supply were advertised publicly. Hoover said they were not public and that requests for proposals were sent to a number of consulting companies.

Bojovic said there are suppliers out there now that have a lower rate than 5.43 cents and, if the bid opening were advertised publicly, Morris could have received a lower rate.

Hoover said there are lower rates now, but when the city of Morris went for bid in November 2011 and signed its 20-month contract, Morris had the lowest rate available at 5.43 cents.

If the city chooses to do the electrical aggregation program through NIMEC again, supplier bids will be opened again in September. Just like the first time, if ComEd's rate comes in lower than the bids, the city will stick with ComEd.

## Hearings set for electric aggregation

[http://www.energycentral.com/functional/news/news\\_detail.cfm?did=27643956](http://www.energycentral.com/functional/news/news_detail.cfm?did=27643956)

Feb 20 - McClatchy-Tribune Regional News - Tesa Glass Mt. Vernon Register-News, Ill.

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A series of public meetings have been scheduled and the draft rules of operation and governance has been filed in preparation for the April 9 referendum on electric aggregation.

"The mayors, village presidents, county board chairs, councils, village and county boards we represent in this matter wanted to make the rules of operation and governance available prior to the election so the residents know exactly what they will be voting on in April," said Jeff Haarmann of Affordable Gas and Electric, which is the consultant chosen by the municipalities for the electric aggregation. "The purpose of municipal electricity aggregation is to take advantage of economics of scale and group purchasing to reduce the price you pay for electricity. Other communities have overwhelmingly passed these referendum and are saving significant money on their electric bills."

The Rules of Operation and Governance are available to the public at [www.AffordableElectricRates.com](http://www.AffordableElectricRates.com).

Under terms of electric aggregation as allowed by state law, municipalities and counties may negotiate the purchase of electricity on behalf of residential and small business customers in their areas after a referendum has passed allowing the negotiations. The utility being replaced still must deliver power to homes and provide one bill to customers.

If the electric aggregation referendum passes, residents may still decide to opt-out of the program and continue using their existing provider for electricity. In addition, residents who are part of the Tri-County Electric Cooperative are not eligible for electric aggregation, although they will be voting on the issues for those who are eligible.

The idea behind electric aggregation is money can be saved by creating a combined customer group -- or aggregate -- that has more buying power than individual residential customers.

Prior to the vote on April 9, state law requires two public meetings be held for public input, questions and comments regarding the Rules of Operation and Governance. In Jefferson County, public hearings have been scheduled for:

--Rive: 6 p.m., Monday, March 4, at the Rolland Lewis Community Building at Veterans Park in Mt. Vernon and on March 18 at 6 p.m. at the Rolland Lewis Community Building at Veterans Park in Mt. Vernon;

--Bluford: 6 p.m. Monday, March 4, at the Rolland Lewis Community Building at Veterans Park in Mt. Vernon and at 6:30 p.m. March 5 at Bluford Grade School;

--Bonnie: 6 p.m. Monday, March 4, at the Rolland Lewis Community Building in Mt. Vernon and at 6 p.m. on Monday, March 18, at the Rolland Lewis Community Building in Mt. Vernon;

--Dix: 6 p.m. Monday, March 4, at the Rolland Lewis Community Building in Mt. Vernon and at 6 p.m. Monday, March 18 at the Rolland Lewis Community Building;

--Ina: 6 p.m., Monday, March 4, at the Rolland Lewis Community Building in Mt. Vernon and at 6 p.m. on March 18, at the Rolland Lewis Community Building;

--Unincorporated areas of Jefferson County: 6 p.m., Monday, March 4, at the Rolland Lewis Community Building and at 6 p.m., March 18, at the Rolland Lewis Building;

--Mt. Vernon: 6 p.m. Monday, March 4, at the Rolland Lewis Community Building and at 6 p.m. Monday, March 18, at the Rolland Lewis Building

--Waltonville: 6 p.m. Monday, March 4, at the Rolland Lewis Community Building and at 6 p.m. on March 18, at the Rolland Lewis Community Building; and

--Woodlawn: 6 p.m. Monday, March 4, at the Rolland Lewis Community Building and at 6 p.m. on March 18, at the Rolland Lewis Community Building.

Communities which are part of the AGE aggregation group include Mt. Vernon, unincorporated Jefferson County, Ina, Bluford, Dix, Waltonville, Woodlawn, Bonnie, Belle Rive, unincorporated Washington County, Nashville, Ashley, New Minden, Okawville, Oakdale, Central City, Junction City, Odin, Iuka, Kinmundy, Patoka, Sandoval, Lawrenceville, Grayville, Crossville, St. Elmo and Watson.